ANNUAL REPORT OF BRIGADIER GENERAL JOHN J. PERSHING, U. S. ARMY, GOVERNOR OF THE MORO PROVINCE, FOR THE YEAR ENDING AUGUST 31, 1910

•

ANNUAL REPORT OF THE GOVERNOR OF THE MORO PROVINCE FOR THE YEAR ENDING AUGUST 31, 1910.

GOVERNMENT OF THE MORO PROVINCE. OFFICE OF THE GOVERNOR,

Zamboanga, September 1, 1910.

Sir: I have the honor to submit the following report of affairs in the Moro Province for the year ending August 31, 1910.

GENERAL OBSERVATIONS.

The outlook for the future of the Province was never brighter. The largely increased exports and imports indicate in some measure the degree of prosperity that has already come to the Province. By a careful distribution of the Constabulary and American and Native troops every precaution has been taken to protect the lives of the inhabitants and the property interests of investors. All serious disturbances have been promptly settled and there is a feeling of security necessary to the successful pursuit of peaceful occupations. The plantations and fields are well kept and carefully cultivated. New houses and fences are being built or the old ones are being put in thorough repair. Carabao are becoming plentiful and no epidemic of any sort has appeared among domestic animals during the year. Less is heard today of the difficulties of obtaining labor, and the planter and the wild man have come to a better understanding. Both foreigners and the native races are eager to learn English and the natives are anxious to know more of agriculture and of industry. The people, the earnest, honest, industrious, law abiding people, whether they be Filipinos, Moros or Bagobos, are happy and content. Under these conditions the Province ought to expect capital seeking investment, and labor seeking employment, neither of which will find more favorable opportunities.

The cost of Provincial administration has been given serious consideration, and it is found that a material reduction in personnel and in salaries can be made with probably greater efficiency of service. The office of district treasurer has been abolished, with a saving to the Province in the five districts of \$\mathbf{P}21,400.00\$ per annum, and their duties are being performed satisfactorily by local municipal treasurers. A total reduction of \$\mathbf{P}100,000.00\$ in administrative expenses alone has already been made. By the economical use and care of expendable public property, together with a wise business management of public institutions, there is no doubt that the total annual

administrative expense of the Provincial government can be reduced below that of last year by at least \$\mathbb{P}150,000.00.

In the Provincial prison at Calarian, there are at present 181 convicts, the total number on June 30, 1909, being 114. This increase in the number of prisoners does not in any sense indicate a larger number of crimes, but it shows that law abiding people are anxious to get rid of the criminal class. Assured of protection themselves, they have begun to give every assistance to the authorities in hunting down the lawless element. The Provincial prison is not well situated and is too small for present requirements. As soon as practicable, the prison is to be located at San Ramon Farm, to which place the prison buildings now at Calarian will be removed.

The Constabulary, as an arm of the Civil Government, has performed valuable service. Small expeditions by the Constabulary have been of frequent occurrence, and, in many cases, their work has been extremely arduous, but whatever the duty they have been called upon to perform, it has been performed cheerfully and loyally.

AGRICULTURE.

Agricultural conditions have improved materially during the past year, although the natural expansion has been more or less retarded by lack of labor of the right sort. This does not affect native planters as seriously as it does American or European planters, because the latter have more expensive habits of life and the cost of running their plantations is greater.

The quantity of hemp (abaca) marketed in the Province for the fiscal year shows a considerable increase over last year. Mindanao hemp continues to bring top prices in all markets. In the District of Davao the exports of hemp were \$\mathbb{P}871,053.00\$, as compared with \$\mathbb{P}625,245.97\$ last year. A large amount of new hemp has been planted in the District and standing fields have been very much improved. Hemp acreage about the Gulf should not be increased too rapidly until the supply of labor shall have been further developed.

In the District of Sulu the exports of hemp have shown surprising growth, the total amounting to \$\mathbb{P}301,656.00\$, as against \$\mathbb{P}207,072.00\$ last year. The Moros are extending their hemp and cocoanut fields in all parts of the District, especially in the Island of Jolo. There has been a large increase in the number of cattle, carabao and ponies in the District during the year and prices are higher than ever before. The opportunities for growing rubber and tapioca that exist in the Sulu Archipelago are believed to be exceptional.

In the Cotabato Valley the casual observer, taking a trip up the Rio Grande, sees only a vast stretch of alluvial plain, adapted, as he believes, to the cultivation of anything that grows, when, as a matter of fact, for some distance from the mouth of the river the tillable land is limited to the high ground along the river banks. The land in many places falls back from the river merging into swamps, and it is estimated that about one third of the valley consists of deep marsh lands. Rice is the principal product of the valley, although increasing numbers of cocoanut trees are planted each year.

This valley affords especial advantages for the production of sugarcane and tobacco. There are several suitable plantation sites that could be irrigated if necessary, and facilities for water transportation cannot be excelled.

In Lanao crop acreage has materially increased, especially in the vicinity of military posts where from one and one-half to two and one-half times the acreage of former years has been planted. Around the lake, where the altitude ranges from 2300 to 3200 feet above sea level, vegetables do especially well. The Commissary Department of the Army has a potato farm near Camp Vicars, and potatoes are grown to advantage in many other places in the Lanao region. Tomatoes, onions, cabbage, and lettuce have all been grown about the lake with great success and there appears to be no reason why American forage, both grains and grasses, could not be profitably cultivated.

In the District of Zamboanga the acreage of all the principal crops has materially increased. San Ramon Farm has just about paid expenses for the year. Arrangements have been made for the permanent transfer of this property from the Insular Government to the Province. An experimental station will be established at an early date, and conducted in connection with a well equipped modern farm. Breeding live stock will be one of the main features.

The wild man, if left to his own resources, adheres to the custom of "caingin" farming, in spite of the attempts to convince him that better and more economical methods exist. As a result of this practice large areas of forest lands in Mindanao are being denuded annually, and until we are able to get in closer touch with these wild people it will not be possible to prevent it.

The larger and more important plantations in the different districts of the Province are given below.

District	American	European	Chinese	Native
Zamboanga	9	2	2	10
Lanao	7	4	2	
Sulu	4	2		
Davao	41	10	1	
Cotabate		1	• •	2
Total	61	19	5	12
Grand Tot	tal			97

AGRICULTURAL STATISTICS.

Tilled Land	280,552 hectares
Untilled Land	9,000,722 ''
Artesian Wells	none
Copra, amount sold,	102,222 piculs
Hemp, amount sold,	104,549 ''
Tobacco, amount raised	very little
Rice, amount raised,	100,000 cavanes
Rice, amount imported,	110,909 "

Sugar, a	mount	raised	l,	• • • • • • • • • • • • • • • • • • • •	155,000	piculs.
Cotton,	,,	,,			none	
Corn,	,,	,,			75,000	cavanes (estimated)
Cocoanut	s, nur	nber so	old,		none	
Cocoanut	s, nur	nber m	ade i	nto copra 2	21,466,620	
Cattle, n	umbei	in Pr	ovinc	e,	25,000 ((estimated)
Carabao,	,,	**	,,		6,000	,,
		,,	,,		12,000	,,
Horses,	,,	,,	٠,		2,000	,,
Deaths o	f live	stock	fron	n infectious or con-		
tagious d	isease	s durir	g the	e year,	none	
•			-	COMMERCE.		

The revenues of the Province show a satisfactory increase of P76,611.03 over the previous fiscal year, a large proportion of which is due to the increase in customs receipts at Jolo. The total exports during the year show a healthy growth, amounting to P3,410,711.23, which is 50% in excess of last year. Besides the large amount of commerce carried on by interisland boats, there are two lines of steamers from foreign ports that make regular stops at Zamboanga, the China Navigation Company's steamers running from Hongkong to Australia, and the ships of the Norddeutscher Lloyd Steamship Company, plying between Zamboanga and Singapore with stop at Jolo.

Large quantities of goods used in the Province are entered through custom houses not in the Province. The consumer here pays the duty no matter where the goods are entered and the payment represents the results of his labor. A just proportion of such customs receipts should, therefore, be expended for the benefit of the consumer here. The Province pays its own administrative expenses, maintains three custom houses, builds its own roads, bridges and wharves, constructs its own public buildings and supports its own schools. The only expense connected with the Provincial Government that is paid by the Insular Government is for the maintenance of the Constabulary and the Courts of First Instance, a total sum amounting in round numbers to about \$\mathbb{P}300,000.00. The customs revenue received at ports of entry not in the Province on imported goods that are eventually consumed here is estimated at P550,000. Deducting a fair percentage of the difference between these two amounts as a proportion of the running expenses of the Insular Government and for harbor improvements in the more important ports, and there should still remain a considerable sum that ought to come to the Province.

Articles of United States manufacture, such as wines, liquors, beer and tobacco, which formerly paid duty, now enter duty free. Under Act 1940 of the Philippine Commission these articles are subject to internal revenue taxes which accrue to the Insular Treasury. The object of this Act was to provide a revenue to cover the expected loss in customs receipts. However, as all Internal Revenue goes to the Insular Government this Province not only loses its former customs duty but it does not receive its due proportion of Internal Revenue in return.

Native commerce is mainly dependent upon agriculture, and in order to increase this commerce the native must raise more produce, and he must have some means of getting it to market. With peace conditions assured and sufficient increase in the yield of the farm and the plantation, transportation facilities ought naturally to follow. But until these ideal conditions prevail and until the small farmer and pioneer planter alike have reached a really productive stage, government assistance as far as possible should be afforded them.

During the previous year the Province undertook to run a trading vessel around the southern coast of Mindanao, with the object of affording accommodation to small tradesmen and planters. The vessel failed to pay expenses from the beginning, but meanwhile, by thus offering the inducement of transportation, new plantations were established and some of those already in existence increased their capital, so that the Province, in turn, incurred some obligation to keep the vessel on the route. The venture was an unfortunate one financially, and the Province was not able to carry the burden of loss. The charter has recently been turned over for cancellation and the vessel will be managed over the same route by the Bureau of Navigation.

	EXPORTS	•	
Town	1909		1910
Jolo ₽	634,673.59	₽	937,350.33
Davao	591,074.61		906,531.60
Zamboanga	521,821.28	1	,082,679.78
Iligan	110,031.80		82,311.97
Dapitan	$69,\!114.59$		95,718.04
Baganga	$66,\!578.85$	•	33,665.70
Mati	48,533.00	•••••	71,914.76
Cotabato	46,847.72		138,892.13
Cateel	29,580.48		25,279.57
Caraga	17,130.18		36,367.35
Total₽2	2,135,386.10	₽3,	,410,711.23

EXPORTS, ARTICLES.

	1909	1910
Hemp	₱946,631.73	₱1,463,697.49
Lumber	457,583.89	546,658.90
Copra	449,051.78	817,778.89
Pearl Shells	147,517.23	267,343.80
Almaciga	103,245.79	107,356.80
Gum Copal	18,389.66	33,010.17
Guttapercha	$32,\!274.56$	232,433.60
Cattle	30,866.04	35,134.00
Snail Shells	23,413.82	41,836.97
Wax	15,038.40	23,117.82

EXPORTS, ARTICLES.—Continued.

	1909	1910
Cocoanut Oil	12,662.50	4,980.00
Biao Nut	10,413.12	19,687.64
Dried Fish	4,224.39	12,060.25
Tortoise Shells	22,093.52	11,981.50
Ponies	3,210.00	4,897.00
Salt	7,505.60	7,082.60
Sponges	7,797.75	5,963.00
Miscellaneous Shells	7,757.52	18,203.74
Fins, Fish	not available	14,512.94
Tan Bark	"	27,778.47

EXPORTS, QUANTITIES.

Hemp	104,549 $102,222$	piculs
Pearl Shells	297,046	kilos
Almaciga	17,893	piculs
Gum Copal	275,090	kilos
Guttapercha	178,795	"
Cattle	573	head
Snail Shalls	348,641	kilos
Wax	23,118	"
Cocoanut Oil	19,920	. "
Biao Nut	2,188	piculs
Dried Fish	86,144	kilos
Salt	7,083	cavanes
Tanbark	925,949	kilos

ECONOMICS

The land tax collections show an increase of P11,565.86 upon an assessed valuation of taxable property in the Moro Province of about P6,000,000.00. This valuation is based upon the assessment of the year 1906, and does not by any means represent the value of holdings subject to taxes at the present time. A new assessment will be made at an early date which is expected to reach P10,000,000.00. The cedula tax for the non-Christian and Pagan tribes has been fixed at one peso per year, payable at any time during the year with no money penalty for non-payment. The requirement of this small contribution serves to bring these people in touch with the government at least once each year.

The difficulty of obtaining sufficient labor in Davao has given the government some concern. There are men enough to furnish labor for several times the capital invested, but they are not always conveniently located, nor are they always anxious to work. Early in the fiscal year, an attempt was made to import labor from the northern islands, but, after some months of

effort and considerable expense, only a limited number of Visayans were procured, and they were of such an inferior class that the experiment was abandoned. Private individuals have endeavored to secure Filipino laborers from the north with similar results. The solution to this labor problem lies in knowing how to handle wild labor. The hill man is superstitious and timid, and must be treated with great kindness. Personal necessities for himself and his family must be provided, and he must have shelter and a small patch of ground for his own use. He must be paid in cash for his labor and must get a square deal in all business relations. Successful planters in the Gulf of Davao and elsewhere have found that by following out these principles wild labor is not difficult to manage. In attempting to bring the hill people under the influences of civilization, the government is encouraging them to establish settlements near the coast, where their development may be directed and their interests closely guarded.

There is a much better class of houses being built by the Moros throughout the Province, and an improvement in their dress is also evident, especially among their children. In the larger towns a distinctly higher grade of dwellings is noticeable, especially in Zamboanga and Jolo.

FINANCE.

STATISTICS.

Disbursements of provincial funds in the Moro Province during the fiscal year 1910.

District of						
Item.	Zam- boanga.	Sulu.	Cota- bato.	Lanao.	Davao.	Total.
Executive: Personnel Contingent	₱37,670.51 6,290.84	P 12,685 06 3,904.59	₱5,838.88 1,861 90			₱71,222.84 14 509.10
Total	43,961.35	16,509.65	7,700.78	9,402.76	8,157.40	85,731.94
Treasury: Personnel Contingent	40,287.34 9,801.07	6,899.28 2,089.96	7,673.80 1,645.65	6,594.29 1,481.80		68,714.24 15,870.29
Total	50,088,41	8,989.24	9,319.45	8,076.09	8,111.34	84,584.53
Education: Personnel	51,585.51 8,565.66 5,714.44 2,819.08			3,511.73 409.50		76,384.68 10,106.37 5,714.44 2,819.08
Total	68,684.69	3,148 16	6,990.89	3,921.23	12.279.60	95,024.57
District Auditor: Personnel Contingent	12,075.81 1,454.55					12,075.81 1,454.55
Total	13,530.36					13,530.36
Justice: Personnel Contingent	17,670.63 10,508.88	2,991.23	1,853.68	3,274.87	2,240.45	17,670.63 20,869.11
Total	28,179.51	2,991.23	1,853.68	3,274.87	2,240.45	38,539.74
Calarian Prison: Personnel Contingent	11,691.61 20,690.26					11,691.61 20,690-26
Total	32,381.87					32,381.87
Industrial Office: Personnel Contingent Ship Subsidies	10,471.41 2,747.44 91,339.99					10,471.41 2,747.44 91,339.99
• Total	104,558.84				! <u></u>	104,558.84
Commerce: Personnel Contingent	4,289.99 659.47	840.00	200.00			5,329.99 659.47
Total	4,949.46	840.00	200.00			5,989.46
Agriculture: Persounel. ContingentPurchase of Cattle	8,253.24 3,023.68 1,402.00					8,253.24 3,023.68 1,402.00
Total	12,678.92					12,678.92
Health: Personnel Contingent	8,951.14 15,693.71	441.60 123.75	61.30	758.33 103.80	108.00 610.00	10,259.07 16,592 56
Total	24,644.85	565.35	61.30	862.13	718.00	26,851.63
Customs: Personnel Contingent Administrative expense	21,411.83 4,056.61 8,347.62	14,504.74 1,935.70			3,486.64 851.47	39,403.21 6,843.78 8,347.62
Total	33,816.06	16,440.44			4,338.11	54,549.61
Preasury, Division of Public Works:	16,068.35					16,068.35
Personnel Contingent	4,147.56					4,147.56

Disbursements of provincial funds in the Moro Province during the fiscal year 1910. —Continued.

National Control of the Control of t	District of—				1	
Item.	Zam- boanga.	Sulu.	Cota- bato.	Lanao.	Davao.	Total.
Treasury, Division of Supply: Personnel. Contingent. P. W. Permanent Equipment. P. W. Supplies. Supplies, General.	44,593.45					₱10.582.53 1,943 2 4,316.0 19,305.1 44,593.4
Permanent Equipment, General	14,264.31			6.58		14,270.8
Total	95,004.71			6.58		95,011.2
Transportation: Personnel	2,683.37 4,295.38		1,795.3; 1,719.3;		5,129.25	4.478.7 11,143.9
Total	6,978.75		3,514 66	·	5,129.25	15,622.6
Maintenance, Provincial Capitol: Personnel	2,158.75 1,165.99			ļ		2,158.7 1,165.9
Total	3,324.74			<u> </u>		3,324.7
TREASURY. Division of Public Works. Construction of buildings: Moro Exchange, Dinas Moro Exchange, Cumalarang. Constabulary Barracks at Anas.	50.00	İ		237.78		16.56 50.00 237.78
Jolo Jail Custom House, Davao		3,125.11			2,142.87	3,125.1 2,142.8
Total	66.50	3,125.11		237.78	2,142.87	5,572.20
Construction of roads & bridges: Dapitan road & bridges Dapitan - Dipolog - Lubungan	118.54					118.5
road. Paving Calle Magay Mercedes road Streets & Parks San Ramon road Mandalug river road	2,495 26 1,447.87 6,177.47 12,397.84			2,175-50		3,041.13 2,495.26 1,447.87 6,177.47 12,397.84 2,175.56 4,047.24
Hacienda road			96.04	1,083.39		1,083.39 96.04 3,048.60 105.00 132-13
Total	25,686.11		3,144.64	7,306.13		36,374.05
Wharves & Sea Walls: Davao wharf					16,135.13	16,135.13
Total					16,135.13	16,135.13
Construction, Miscellaneous: Talucksangay Well Telephone Lines, Davao Miscellaneous	1,657.29				221.60	102.91 221.60 1,657.29
Total	1,760.20				221.60	1.981.80
Total for Construction	27,512.81	3,125.11	3,144.64	7,543.91	18,736.77	60,063.24
	629,43 754,50 1.00 275,00 86,30			390.05	52.70	629.43 754.50 1.00 275.00 86.30 390.05 52.70
Total	1,746 23	· · · · · · · · · · · · · · · · · · ·		390.05	52.70	2,188.98

Disbursements of provincial funds in the Moro Province during the fiscal year 1910.

—Continued.

		D	istrict of	_		1
Item.	Zam- boanga.	Sulu.	Cota- bato.	Lanao.	Davao.	Total.
TREASURY. Division of Public Works: —Continued. Maintenance, Alterations & Re-						
pairs of: Roads & Bridges. Wharves & Sea Walls. Miscellaneous.	₱15,415.94 1,306.80 174.02	3,856.73	₱844.94	₱ 2,588.20	₱ 65.00	# 19,841.14 5,163-53 174.02
Total	16,896.76	4.783.79	844.94	2,588.20	65.00	25,178,69
Total of Public Works Mainten- ance	18,642.99	4,783.79	844.94	2,978.25	117.70	27,367.67
Purchase of Real Estate	2,250.00				249.70	
Miscellaneous Expenditures, Unclassified	1,003 45					1,003.45
Grand Total	592,407.68	57,392.97	33,630.34	36,065.82	60,078.32	779,575.13
	Cash	Refunds		Annual Control of the		-
School Supplies					₽	293.52
Trade School Supplies						2,869.98
Permanent Equipment, Gene						2,259.26
P. W. Supplies						18,101.94
P. W. Permanent Equipmen	t					285.16
Supplies, General		. .				20,852.76
Ship Subsidies						30,211.22
Total Cash Refunds	· • • • • • • • • • • • • • • • • • • •		,		• • • • • • • • • • • • • • • • • • • •	74,873.84
Net Expenditures		. 				704,701.29
Total Expenditures						779,575.13
Comparative statement of expe nance for i					tion and	d mainte-
Construct	ion.			1909	٠.	1910.
Buildings				₽ 23,71	[3.33 ₱	5,572.26
Roads & Bridges				83,25	66.13	36,374.05
Wharves & Sea Walls				32,81	13.81	16,135.13
Miscellaneous	• • • • • • •		• • • • • • •	, (95.49	1,981.80
Maintena	nce.					
Buildings				10,02	25.14	2,188.98
Roads & Bridges				20,27	17.72	19,814.14
Wharves & Sea Walls				2,17	70.78	5,163.53
Miscellaneous				7	19.01	174.02
Total				173,0	71.41	87,430.91

Statement of expenditures, outstanding bills, refunds to and actual cost of supplies and ship subsidies.

I tem.	General Sup- plies.	P. W. Sup- plies.	General Perma- nent Equip- ment.	P. W. Perma- nent Equip- ment.	School Sup- plies.	Trade School Supplies.	Ship Subsi- dies.
Actual expenditures Outstanding bills Balance in favor of	₱44,593.45 10,058.09		13,987.11		₱ 5,714 44 2,008.97		
Total	54,651.53	26,474.17	28,258 00	8,644.11	7,723.41	4,601.02	152,097.49
Refunds as per books Cash refunds due Office refunds due Actual cost	20,852.76 2,132.25 14,466.34 17,200.18	18,101.94 1,924.43 6,447.75	2,652.18	300.43	234.00	30.00	4,250.00 148.60
Total	54,651.53	26,474.17	28,258.00	8,644.41	7,723.41	4,601.02	152.097.49

Comparative statement of collections for fiscal years 1909 and 1910.

	1909.	1910.					
Land Tax	₱40,985.01	₱52,550.87					
Moro Cedulas	37,285.00	44,511.00					
Registration of Property	640.50	756.62					
Tribal Ward Court Fines	1,009.45	2,014.80					
Fire Arms Permits	251.00						
Provincial Fines	52.70	158.00					
Provincial Licenses	8,349.78	5,625.00					
Premiums on Exchange	1,347.02	1,596.38					
Internal Revenue Cedulas	24,934.00	23,028.00					
Internal Revenue Weights & Measures	529.97	547.65					
Sale of Chinese Tobacco	18,950.46	10,790.72					
Moro Exchanges	10,388.01	8,392.55					
San Ramon Farm	7,023.66	11,398.66					
Miscellaneous	239.15	1,605.02					
Total General Collections	151,985.71	162,975.27					
CUSTOMS.							
	1909.	1910.					
Port of Zamboanga	₱210,303.91	₱217,856.81					
Port of Jolo	152,435.33	208,310.30					
Port of Davao	1,137.26	970.85					
Total Customs Collections	363,876.50	427,137.96					
RECAPITULATION.							
General Collections	₱151,985.71	₱162,975.27					
Customs Collections	363,876.50	427,137.96					
Road Tax Collections	38,646.70	43,385.50					
Internal Revenue Refund	120,707.33	118,328.54					
Total	675,216.24	751,827.27					

INTERNAL REVENUE COLLECTIONS.

Insular	₱ 75,2	81.11	₱118,1	38.57
Documentary	3,0	44.32	2,99	90.66
Municipal	9, 3	47 43	12,90	08.50
Total	87,6	72.86	134,03	
Comparative statement of collection of municipal taxes 1910.	of fisca	l yea		
Fisheries	₽ 1,0	53.93	₽ 1,5	11.53
Cattle Registration	3,8	24.00	3,19	98 00
Rents and Profits	28,89	96.16	24,56	51.45
Licenses	72,9'	73.33	72,76	66.31
Fines	19,88	32.39	17,58	31.01
Lineal Frontage	1,83	30.00	3,78	54.49
Latrine	3,9'	72.61	3,71	13.54
Justice of Peace Collections	10,63	14.56	10,83	89 76
Internal Revenue, Municipal	9,3	17.43	12,60	8.50
Opium Certificates	:	35.00	:	80.00
Water Tax	95	55.60	1,16	68.00
Sale of Lands			1,2	35.00
Miscellaneous	,	99.82	1	1.11
Refunds	5,3	33.50	5,16	66.92
Total	158,8	18.33	158,13	35.62

CUSTOMS-SPECIAL ACCOUNT.

Arrastre.

Port of—	Balance July 1,'09.	Deposits.	Total.	With- drawals.	Balance June 30,'10.
Jolo	P4,4 93.68	₱4, 565.69	₱9,059.37	₱1,790.00	₱7,269.37

Extra Services.

Port of—	Balance July 1,'09.	Deposits.	Total.	With- drawals.	Balance June 30,'10.
Zamboanga	15.30	453.03	453.03		37.30

THE AGRICULTURAL BANK.

Statement of deposits and withdrawals for fiscal year 1910.

Balance July 1, 1909	₱ 24,819.26	
Total Deposits July 1, 1909, to June 30, 1910	536,214.47	
Total Withdrawals July 1, 1909, to June 30, 1910		510,668.88
Balance June 30, 1910		50,364.85
	561 022 72	561 022 72

THE AGRICULTURAL BANK .-- Continued.

Least number of active depositors for year: November 30, 1909,	60
Greatest " " " June 30, 1910,	84
Greatest balance shown at close of any one month, June 30, 1910,	₱50,364.85
Least " " " " Nov. 30, 1909,	19,968.68
Amount of Demand Drafts sold at Zamboanga during Fiscal	
Year 1910	₱397,933.33
$Amount\ of\ Telegraphic\ Transfers\ sold\ at\ Zamboang\ a\ during\ Fiscal$	
Year 1910	149,980.14
Total, Zamboanga.	547,913.47
Amount of Demand Drafts paid during Fiscal Year 1910	₱6,473.75
Amount of Telegraphic Transfers paid during Fiscal Year 1910.	95,764.73
Total	102,238.48

The above statement does not include the transfer business in the Districts outside of Zamboanga.

Statement of revenues and expenditures during the fiscal year 1910.

Statement of Teterales and expen	attities aaring t	te pocut year	.010.
Cash on hand July 1, 1909, General F	und		₱ 34,438.55
Cash on hand July 1, 1909, Road Fund	l 		35,842.70
Unexpended Balances, July 1, 1909, F	Public Works		5,774.11
Unexpended Balances, July 1, 1909, In	n Districts		20,003.53
Refunds to Appropriations			74,822.94
Refunds to Trade School Supplies, Ex	xcess Appropr	iation, Mis-	
cellaneous Revenues			50.90
Revenues			751,776.37
Total			922,709.10
Expenditures		• • • • • • • • • • • • • • • • • • • •	₱779,575.13
Cash Balance, June 30, 1910			143,133.97
Total			922,709.10
Distrib	ution.		
Ge	eneral Fund.	Road Fund.	Total.
Balances 1	≥ 85,905.77	P 57,228.20	₱143,133.97

At the beginning of the calendar year the financial condition of the Province was such that it became necessary to close down public works, and from that time to the end of the fiscal year but little was attempted except maintenance. In the District of Zamboanga, the Dapitan-Dipolog road was practically completed, and the road to San Ramon Farm was entirely completed. Much work has been done on the Tetuan-Mercedes road, a new road opening up a large agricultural section of Zamboanga. In the District of Lanao, the Hacienda road was finished, the Mandulug road was graded for

two and one-half miles, and the Iligan Overton road was completed. In the Davao District the wharf was completed, and some road work done along the coast, while in the Cotabato District a good trail was opened up from Parang to Buldung. Maintenance of roads throughout the Province has cost during the year \$\mathbb{P}14,619.50\$, or \$\mathbb{P}271.00\$ per kilometer.

Public works during the coming year contemplate a substantial district building in each district capital, combined with a strong jail where needed. The construction of a Provincial prison at San Ramon Farm, together with other necessary buildings, will also be undertaken. Extensive road construction on the Island of Jolo and in the District of Davao is under consideration. Old wharves will be put in thorough repair or new ones built where necessary, as far as funds may be available. The opening of the channel at the mouth of the Rio Grande below Cotabato is a commercial necessity, and should be undertaken when funds can be spared for the purpose.

. Road Statistics for 1910.

In existence	164 kilo	ometers
Repaired during past year	74.7	••
Constructed during past year	15.2	,•
Under construction	3.	••
Contemplated	46.38	••
Bridges.		
Constructed	none	
Repaired	3	
Contemplated	10	

PUBLIC INSTRUCTION.

The school system depends for its success entirely upon the American teacher, and although Filipino teachers do excellent work under proper supervision, educational direction must for some time remain in the hands of American teachers. There have been employed the greater part of the year fourteen American teachers and seventy-nine Filipino teachers.

A normal school of eight weeks was held for Zamboanga teachers in January and February, while a summer normal of ten weeks was held for all teachers outside of Zamboanga. The normal school this year has been by far the most successful ever held in the Province. At the summer normal, Captain Percy L. Jones, of the Medical Corps of the Army, kindly acted as instructor in hygiene, dwelling especially upon the most prevalent diseases, Lieutenant A. G. Hutchinson, 3rd Infantry, voluntarily took charge of a course of instruction for male teachers in military drill. The interest in both of these subjects was marked and the results satisfactory. The public schools will be utilized to an increasing extent to disseminate a knowledge of sanitary matters, and military drill, as a means of discipline, will be introduced wherever possible.

The total enrollment of all the schools of the Province last year was 4,946,

of whom 3,281 were boys and 1,665 girls. The average daily attendance was 2,870, the average daily attendance of boys being 1,979 and that of girls 891, These numbers are slightly less than for the fiscal year ending June 30, 1909, the reason being the prevalence of cholera, the mutiny in Davao and the existence of the Jikiri band of outlaws. The Christian population is well provided with schools, about four-fifths of the entire enrollment being Christians, the remaining one-fifth being Moros or non-Christians. The expenditures for education are divided among the two elements at about the same ratio. The non-Christians contribute about 70% of the taxes in the Province and should receive a greater portion of the amount expended for education.

The unsettled social conditions existing in the interior present a difficulty of no little consequence. Due to their nomadic habits, most Pagans and many Moros possess little real property, although the higher class Moros devote themselves to agriculture and acquire permanent local interests. It frequently happens that pirates or outlaws create in the Moro community a reign of terror that renders the continuance of schools impossible. Moreover, it is difficult to get teachers to go among the wild people. The natural antagonism that the Moros and Pagans have for the Filipino is such that American teachers must generally be used until we can educate a sufficient number of Moro teachers. Five young Moro teachers will be sent this year to the normal at Zamboanga to prepare them to take positions in Jolo Island as teachers of their people. The establishment of permanent schools in the interior will depend upon the maintenance of peace conditions.

Greater emphasis will be given to instruction of pupils along industrial and agricultural lines, as these features of education have an especially important bearing on the future of the Province. No greater blessing can come to native children than a knowledge of how to perform some kind of profitable labor and do it to the best advantage. It is proposed to establish in the Province an agricultural school for boys from 12 to 20 years of age, to be taken from the various wild tribes about the Gulf of Davao, the object being to teach them discipline and English, and to show them how to work and cultivate suitable agricultural crops. Several planters have started schools near their plantations for the small children of wild people who work on the plantation or live nearby. The results of this endeavor will be far reaching in their effect upon the future of that section.

There are other classes of schools that are supplementary to the public school system in the Province, and as such receive encouragement. There are parochial schools among the Filipinos, pandita schools among the Moros, and nonsectarian missionary schools among the Pagans. Each of these schools has its proper sphere of action and each does much that the provincial school system could not do.

INDUSTRY.

Lumber: The lumber men have had a successful year, the exports from the Province for the year amounting to \$\mathbb{P}546,658.90\$, which is 20% in excess of the

fiscal year 1909. A better grade of lumber is being turned out and the mills are prepared to deliver dimension stuff of all sorts, seasoned ready for use.

Live Stock: All herds of cattle from which reports are obtainable show satisfactory increases, and horses, carabao and other live stock are becoming more plentiful. There are several places in the Province especially adapted to grazing, including the Lanao country, the Sarangani Bay country and the Island of Jolo.

Pearling: This industry continues profitable, the exports of pearl shells this year being \$\mathbb{P}\$267,343.80, which is 82% in excess of last year. The most valuable beds are found in the vicinity of the Island of Jolo. Twenty-three boats carrying divers have been issued licenses during the year.

Fishing: There is probably no place in the Archipelago where a greater variety of excellent fish is to be found than in the waters about the southern coast of Mindanao and the Sulu Islands. Only small quantities are caught in excess of local needs, but this industry is capable of almost unlimited development.

The products of native industry become more and more attractive to the casual visitor and consequently more profitable to the native. Those natives who attended the Carnival at Manila last year obtained good prices for their brass work, native cloth, mats and edged weapons, the brass work and colored cloth of Lanao and the ivory handled barongs of Sulu being well known to curio seekers.

MANUFACTURES.

There are no extensive manufactures in the Province but small beginnings have been made, a few of which are worth mentioning. Excellent tapioca flour is manufactured on Basilan and at Coruan, and native sugar for local consumption is made in almost every locality. The owners of salt works near Talon-Talon, a barrio of Zamboanga, find it necessary to continuously increase their evaporating plant. A new cigar box factory has been recently established in Zamboanga and the cold storage and ice plant here has just quadrupled its capacity. A good grade of pottery is made at Cabingdan, Dongdong and Seminor Islands in the Sulu Archipelago and in the Cotabato Valley.

NATURAL RESOURCES.

Forestal: The exports of Forest products, such as guttapercha, almaciga, beeswax and mangrove bark, show a large increase with prospects of a still further improvement during the coming year. While we should encourage capital to develop our forest resources, the inherited right of the native inhabitant of the interior to gather forest products and sell them to the best advantage should be carefully guarded. A fair allotment of the annual appropriation for the support of the Bureau of Forestry, which amounted to P143,-000.00 last year, should be allowed this Province, as one-fourth of the revenue received by the Bureau comes from Mindanao. In addition to the forester now at Zamboanga, a man for field and exploration work is very such needed.

Mineral: There are many evidences of the existence of gold in the Province, although so far no valuable discoveries have been made. The mountain region at the southern end of the Zamboanga peninsula shows good prospects, while the Pigtao country and the Province of Surigao in northern Mindanao are frequently mentioned in this connection. Coal is found in the Zamboanga peninsula which the tests show to be equal to Japanese or Australian coal.

NON-CHRISTIANS AND PAGANS.

While our progress in the establishment of good government among the non-Christian and Pagan tribes has been in the main satisfactory, yet it has been more or less retarded because we have not yet succeeded in reaching more than a very small percentage of the people in the interior. These wild people have little conception of government in the abstract, the individual whom they see in the immediate control being to them the government. the troops have naturally been kept in large garrisons, usually located convenient for supply and transportation, they have exerted little influence upon the lives of the people in remote parts of the Province. To meet this condition the military authorities have established several small stations of native scouts throughout the Province, and at the same time the Constabulary has been required to cover a greater extent of territory. The native scout or Constabulary readily picks up a working knowledge of the dialect of the people where he is stationed and becomes at once a medium of information and governmental influence. The wisdom of occupying this increased number of stations at remote points is clearly shown in its effect upon the maintenance of law and order.

Peaceful conditions can be maintained and success realized by peaceful methods only in so far as the individual incontrol understands the character of the people and treats them with firmness and justice. In Moro government the subordinate Moro officials should as far as possible be of hereditary rank among them, and the authority of these hereditary chiefs should not be broken down without something better to replace it. During the slow process of evolution leading up to civilization the Moros must be kept in check by the actual application of force or by the moral effect of its presence.

Cattle stealing among the Moros has always been the cause of a great deal of the crime and disorder. The Legislative Council recently passed a law making this offence punishable by five to twenty years imprisonment, and the law is proving so effective that within a short time cattle stealing in the Province will probably be a rare occurrence.

In April last a party of seven Moros from the Island of Manuc Manka, near Bongao, landed in the Celebes and murdered and robbed two Dutch farmers. In returning with their spoils they were closely pursued by a Dutch gunboat and barely escaped capture before reaching Manuc Manka. The Constabulary from Bongao went at once to the Island, followed later by four companies of infantry from Jolo. After several days search, with the assistance of the Dutch

gunboat at patrol work, the capture of all but the leader was effected, and he was arrested later by friendly Moros.

About Lake Lanao the majority of Moros are engaged in agriculture and are in general friendly, peaceful and industrious. There is a minority, however, that is divided into several bands of from ten to forty men each, armed with from thirty to forty rifles all told. These outlaws make occasional incursions into the surrounding country where they plunder peaceful rancherias and kill unoffending Moros and Filipinos. For the protection of the inhabitants it has become necessary to establish military camps at Dalama and Taraca on the east shore of Lake Lanao, and at Malaig on the west. The constabulary, often assisted by regular troops, are almost continuously in pursuit of these outlaws, and their capture or extermination is only a question of time.

In the District of Cotabato conditions are entirely peaceful, as they have been generally since American occupation, with the exception of the time when Datu Ali became an outlaw. The Moros of this district are less inclined to be nomadic than those of other localities and it is believed that the time has come when they may be induced to settle down permanently and occupy land in severalty.

In the District of Davao there has never been a serious uprising among the natives, the majority of whom are not warlike. There exists, however, in the mountains at the north end of the Gulf, a certain element composed of renegades from the Manobos, Mandayas, Tagacaolas and other tribes, who often kill and rob other Pagans who are friendly with the Americans. The inaccessibility of their mountain fastness makes it difficult to round them up. The recent occupation of additional military stations about the Gulf will in future serve to protect friendly natives and eventually end in the capture of the leaders among these renegades.

In the District of Zamboanga there have been a few cases of murder by Moro criminals and a number of cases of cattle stealing, but a majority of the guilty parties have been brought to justice. In November, 1909, the Subanos in the northern part of the District of Zamboanga, led by certain Moro datus from Lake Lanao, assisted by Pagan and Christian outlaws from the Misamis Strip, gathered together in a remote portion of the Bukhdnon Strip, known as the Boburan country. Several thousand Subanos were induced to desert their homes under the influence of two false prophets from the Misamis Strip on the theory that they must gather at Mount Boburan preparatory to ascending into Heaven just before the destruction of the earth by fire and water. A well selected position for defense was chosen by the Moro leaders and some 175 buildings of various sizes were erected. The people were armed with spears, krises and campilans, but had no fire arms.

The Dapitan Constabulary was sent into the Boburan country to break up this assembly, reaching the camp of November 28th. While attempting to disarm and disperse the people, the Constabulary were attacked and during the engagement two sergeants and four privates of Constabulary, one corporal of Dapitan municipal police and three cargadores were killed, the

enemy losing one of their Moro leaders and many Subanos. A company of Scouts was called for and after two months difficult work by Scouts and Constabulary peace was finally restored and the Subanos induced to return to their homes. One fact worthy of mention is that not a single Subano headman participated in this uprising, but on the contrary they did everything they could to prevent it, and succeeded in holding a large number of Subanos under their influence.

Attention is invited to the political anomaly existing in the northern part of the Zamboanga peninsula. There are in close proximity three distinct forms of government over practically one and the same people. These governments are the Moro Province, the sub-district of Bukidnon, and the Province of Misamis. The lines separating the spheres of control of these governments are indefinite or unknown and the simple Subanos cannot understand why there should be three forms of government under one general head and each oftentimes apparently striving for the mastery.

POLITICAL CONDITIONS.

The political situation in the Province so far as Moros and Pagan tribes are concerned is entirely satisfactory. They do not discuss politics nor do they desire a change in the established government. Naturally there are Filipinos, here and there, who talk on political questions when given an opportunity, but they are in such minority and are of such little consequence as to be negligible. A very large majority of Filipinos are industrious and prosperous, and rest content in the opinion that the present form of government is best for all concerned.

PUBLIC HEALTH AND SANITATION.

At the beginning of the fiscal year cholera of a very virulent type existed at Dapitan, Cabulauay and Sindangan. To combat this epidemic additional sanitary inspectors were appointed, sanitary ordinances were vigorously enforced, suspicious sources of drinking water were condemned and a vigorous general campaign was started. There developed some opposition, even among the most intelligent classes, many of whom considered strict sanitary rules unwarranted and unnecessary. But this passed away as the people saw the wisdom of a strict enforcement of such rules. The disease spread rapidly along the coast and reached Zamboanga about the middle of July. The Department Commander detailed two companies of native scouts to act as sanitary inspectors and special policemen, and the authorities of the Catholic church placed the immense power of their organization at the disposal of the health officer. By diligent work on the part of the authorities and the community the epidemic was finally stamped out by the end of September. Several cases of small-pox have been reported in the Province within the last year, but prompt action by local health officials in each case prevented its spread.

The only mortality statistics that are available are a few from municipalities that refer only to Filipinos. No reliable information is obtainable regarding mortality among the Moros or Pagan tribes. In the Municipality of Zambo-

anga there were 622 deaths during the year, 130 being adult males, 111 adult females and 381 children, 281 of whom were under two years of age. Deducting deaths from cholera, the mortality rate was 21 per thousand for all ages. The death rate in Zamboanga among children under two years of age almost equalled that of all other ages combined, and it is fair to presume that this rate prevails throughout the Province. This excessive mortality is due almost entirely to improper or insufficient feeding. The establishment in Zamboanga by public subscription of a dispensary to provide proper food for sick infants and to instruct mothers in the care of children has met with much encouragement.

A campaign against tuberculosis was begun during the recent term of the normal school in Zamboanga, when all teachers were given instruction in sanitation through the medium of lectures. A persistent attack on this disease should be inaugurated under the auspices of the Central Anti-tuberculosis Society, recently organized in Manila.

Only in regularly organized municipalities is it possible to strictly enforce sanitary rules. In Zamboanga, Jolo, Davao, Cotabato, Malabang, Dapitan, Iligan and Siasi, sanitary measures are successfully carried out as all these towns have American presidents, except Zamboanga where the vice-president is an American, and Iligan where the president is a Filipino. The municipalities named are at present models of cleanliness, but it is only by the most rigid enforcement of municipal ordinances that they can be kept so.

Throughout the Province indigent sick have been provided with medical attendance whenever possible, often at military hospitals which continue to be the final refuge of those who can reach them. To meet the growing needs of the local population a civil hospital is soon to be built in Zamboanga from private subscription. Trained by their religion to obey certain sanitary laws, the Moros more than any other natives appreciate efforts to help them in such matters. One of the Datus from the source of the Rio Grande recently came to Cotabato with a large following of his people, expressly to be vaccinated.

The most necessary thing to improve health conditions in this Province is a supply of pure water. In Zamboanga a stock company has been organized to construct a reservoir some five miles from town and put in a complete water system, the water supply to come from the Tumaga River. In many places it is believed that driven wells would be successful and experiments along this line are contemplated during the ensuing year.

PERSONNEL. Provincial.

GovernorThe undersigned was appointed Governor of the
Moro Province November 9, 1909. He was preceded by Colonel (now Brigadier-General) Ralph
W. Hoyt, U. S. Army, who left the Province
September 6th, 1909. Captain Charles B. Hagadorn, 23rd Infantry, the Provincial Secretary,
acted as Governor until November 8th.

Secretary	Captain Hagadorn held office as Provincial Sec-
	retary until March 25, 1910, when he was suc-
	ceeded by the present Secretary, Captain John
	T. Nance, 2nd Cavalry.
Treasurer	fr. Fred A. Thompson was Provincial Treasurer
	up to March 1st, 1910, when he was succeeded
	by Mr. Loren L. Day as Acting Treasurer.
•	Mr. R. M. Corwine was appointed Treasurer on
	April 7th, 1910; and held the position until June
	21st when he relinquished the duties of the
	office on account of ill health. Mr. J. P. Fitz-
	gerald was Acting Treasurer from that date
	until August 31st. He will be succeeded by
. A 4 4	Mr. Fred L. Wilson.
Attorney	The office of Provincial Attorney has been filled
	during the entire year by Mr. Wm. M. Connor,
	jr. His Assistant, Mr. L. T. Gibbens, resigned
	on June 30th, 1910. From July 16th to date the
	duties of Assistant have been performed by
•	Captain Samuel T. Ansell, U. S. Army, Judge
•	Advocate of the Department of Mindanao.
Superintendent of	Mr. Charles R. Cameron has occupied the office
Schools.	during the entire year.
Engineer	Ar. C. F. Vance, Assistant Provincial Engineer,
	was in charge of the office until January 1, 1910,
	when he was appointed Provincial Engineer,
	holding the position until August 1, 1910, when
	he was succeeded by Captain Paul S. Bond,
	U. S. Army.
Health Officer	Major Jere B. Clayton, Medical Department, U. S.
	Army, was Provincial Health Officer up to May
	24, 1910, when he was succeeded by Colonel
	Charles Richard, Medical Department, U. S.
	Army.
The Warden of PrisonI	ieutenant J. N. Merrill, P. C., has held this
	position during the entire year.
	v.*

DISTRICT OF ZAMBOANGA.

District Governor.......Major John P. Finley, 28th Infantry, has occupied this position during the entire year.

District Secretary......Major Ephraim G. Peyton, Philippine Scouts, was appointed District Secretary August 5th, 1910.

Prior to that date the office was vacant.

DISTRICT OF COTABATO.

District Governor.......Major E. R. Heiberg, Philippine Scouts, has occupied this office during the entire year.

District Secretary........Major Henry Gilsheuser, P. C., was District Secretary up to December 31, 1910. He was succeeded by Captain Chas. E. Heartt, P. C., who was appointed January 5th, 1910.

DISTRICT OF SULU.

District Governor..........Colonel Alexander Rodgers, 6th Cavalry, was
Governor up to December 10, 1909, and was succeeded by Lieutenant-Colonel Lea Febiger, 3rd
Infantry, who held the office until January 31,
1910. Lieut. W. O. Reed, 6th Cavalry, District
Secretary, performed the duties of Acting Governor until May 11, 1910, when he was appointed
Governor.

District Secretary..........Capt. Geo. L. Byram, 6th Cavalry, held this office
until November 30, 1909. Lieut. W. O. Reed,
6th Cavalry, was appointed Secretary December
1, 1909, and held that position until May 11, 1910.
Lieut. Wm. W. Gordon, 2nd Cavalry, was appointed Secretary August 5, 1910.

DISTRICT OF DAVAO.

District Governor.......Capt. Allen Walker, Philippine Scouts, was Governor until August 4th, 1909, and Mr. R. E. McFie was Acting Governor from that date until December 16, when Colonel Mark L. Hersey, P. C., was appointed temporarily. Major Henry Gilsheuser, P. C., the present incumbent, was appointed January 1st, 1910.

District Secretary.......Mr. R. E. McFie was District Secretary until

March 25, 1910, since which date the office has
been vacant.

DISTRICT OF LANAO.

District Secretary....... Capt. Geo. S. Holmes, P. C., was Secretary from March 7th until April 30th, 1910, since which time there has been a vacancy.

The necessity for the maintenance of a relatively large military force in the Department of Mindanao has placed at the disposal of the Provincial Government a body of men well qualified for civil duty. It is gratifying to report that a very large proportion of the Army officers holding civil office in the Moro Province have demonstrated exceptional fitness for their duties.

Very respectfully.

JOHN J. PERSHING, Governor, Moro Province.

THE EXECUTIVE SECRETARY,

Manila, P. I.